Investment Planners, Inc.
Member FINRA/SIPC
IPI Wealth Management, Inc.

Clear Form

Retirement Account Disclosure

Client Name		**Account Number**	

Retirement assets are being ☐ rolled over from an employer-sponsored plan.
☐ transferred from another retirement account.

Reason for rollover or transfer (check all that apply)

☐ Change of employment ☐ Retirement ☐ Termination of Plan ☐ Company closure/layoff
☐ In-service distribution ☐ Consolidate accounts ☐ Change in relationship
☐ Work with local Financial Professional ☐ Change in financial objectives/needs (details below)

CURRENT Retirement Account Information

Name of Retirement Account (**statement is required)**

Estimated Asset-based/Admin Expenses

Estimated Internal Fund Expenses

Client declines/unable to provide cost information ☐

If rollover, does employer pay any portion of the fee?
☐ Yes ☐ No ☐ Not a rollover

PROPOSED Retirement Account Information

New Company and Account Type

Brokerage ☐ Advisory ☐

Estimated Proposed Account Expenses

Estimated Internal Fund Expenses (if applicable)

Estimated Amount of Rollover/Transfer $

How does this rollover or transfer benefit the client? (include services to be provided, if advisory)

Selecting the appropriate retirement plan account is an important element of your overall financial plan. Most companies offer some form of retirement savings plan (Defined Contribution Plans: e.g., 401k, 403b, 457, TSA, profit sharing, ESOP, payroll deducted IRAs, etc.) to their employees. Other plans include SEP IRA, SAR-SEP IRA, and SIMPLE IRA plans. Additionally, employer-sponsored retirement plan assets have unlimited protection from creditors under federal law, while IRA assets are protected in bankruptcy proceedings only. State laws vary in the protection of IRA assets in lawsuits.

FACTORS TO CONSIDER IF ROLLING OVER FROM AN EMPLOYER-SPONSORED PLAN

- **What do I do with my employer-sponsored retirement plan (Plan)?**
  - Leave the money in the Plan, if permitted. As a former employee, you will not be able to make additional contributions to the account, and some companies stop paying certain fees associated with the Plan.
  - Roll over your account into a plan offered by your new employer, if available and permitted.
  - Roll over your account into an Individual Retirement Account (IRA).
  - Distribute the account value from the Plan.
    - NOTE: Cashing out or taking a lump-sum distribution may incur taxes and penalties, especially if you are under 59½ years old. Consult a tax professional.
- **What if I decide to roll over my assets into an IRA?**
  - Current Plan may have investment products or institutional prices and fees that may not be available within an IRA.
  - If you hold company stock in your employer-sponsored plan, consult a tax professional to learn more about tax consequences.
  - An IRA may have fees associated with account opening, annual maintenance, account closing, brokerage commissions, management fees and other product-level expenses.
- **What if I want to roll my retirement assets back into my employer-sponsored plan?**
  - Some employers may allow a “reverse direct rollover” to roll assets previously held in an employer-sponsored plan out of an IRA back into an employer-sponsored plan. Consult your employer’s Plan rules.

- **What if I am still working, but I want to roll part of my employer-sponsored plan into an IRA?**
  - Some employers may allow employees to do an "in-service withdrawal" to roll a portion of retirement assets out of the Plan into an Individual Retirement Account while they are still working. Consult your employer's Plan rules.
  - Between the ages of 55 & 59 ½ years old, you may have the ability to take penalty-free withdrawals, if funds remain in the employer-sponsored plan.
- **What if I plan to work until I am older than RMD age?**
  - In some situations, required minimum distributions (RMD) may be delayed from your current employer's plan while you are still employed.

ACKNOWLEDGEMENT & SIGNATURES

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours.

Under this special rule's provisions, we must:

- *Meet a professional standard of care when making investment recommendations (give prudent advice);*
- *Never put our financial interests ahead of yours when making recommendations (give loyal advice);*
- *Avoid misleading statements about conflicts of interest, fees, and investments;*
- *Follow policies and procedures designed to ensure that we give advice that is in your best interest;*
- *Charge no more than is reasonable for our services; and*
- *Give you basic information about conflicts of interest.*

☐ With my initials, I acknowledge that I initiated this retirement plan rollover *without* my financial professional's knowledge or recommendation.

By signing below, I indicate I have made an informed decision to initiate this retirement plan rollover or transfer and, if applicable, have reviewed the differences between my current retirement account and IRA investment options.
I acknowledge receiving a copy of the attached FINRA Investor Alert, *The IRA Rollover: 10 Tips to Making a Sound Decision*.
Based on the information discussed with my financial professional and in this disclosure form, I believe this rollover or transfer is in my best interest based on my investment needs and objectives. My signature below indicates my consent to the transaction.

Primary Account Owner/Trustee Signature	Date	Print Name of Primary Account Owner/Trustee	
Financial Professional acknowledgment: I verify that I am acting in a fiduciary capacity for my client by reviewing all points in the above disclosure and any supporting information. To the best of my knowledge, the information provided is complete and accurate.			
Financial Professional Signature	Date	Firm Principal Signature	Date

Financial Industry Regulatory Authority

Investor Education Series

Investor Alert

The IRA Rollover: 10 Tips to Making a Sound Decision

The largest source of IRA contributions comes from individuals who move their money from their employersponsored retirement plans such as 401(k) and 403(b) plans when they leave a job, according to the Employee Benefit Research Institute.

If you are considering rolling over money from an employer plan into an IRA—or if you have been in contact with a financial professional to do so—follow these tips to decide whether an IRA rollover is right for you.

1. **Evaluate your transfer options.** You generally have four choices. You can usually keep some or all your savings in your former employer's plan (check with your benefits office to see what the company's policy is). You can transfer assets to your new employer's plan, if allowed (again, check with the benefits or human resources office). You can roll over your plan assets into an IRA. Or you can cash out your balance. There are pros and cons to each, but cashing out your account is rarely a good idea for younger individuals. If you are under age 59½, the IRS generally will consider your payout an early distribution, meaning you could owe a 10 percent early withdrawal penalty on top of federal and applicable state and local taxes.
2. **Minimize taxes by rolling Roth to Roth and traditional to traditional.** If you decide to roll over your retirement plan assets to an IRA, you can choose either a traditional IRA or Roth IRA. No taxes are due if you roll over assets from a traditional plan to a traditional IRA, or if you roll over your contributions and earnings from a Roth plan to a Roth IRA. But if you decide to move from a traditional plan to a Roth IRA, you will have to pay taxes on the rollover amount you convert.

   It's a good idea to consult with your plan administrator, as well as financial and tax professionals about the tax implications of each option.

   Tip: Special Treatment of Employer Matches in Roth Plans

   The IRS requires that any employer match of contributions made to a Roth plan be placed in a pre-tax account and treated like matching assets in a traditional plan. To avoid taxes when rolling over a Roth plan that includes matching contributions from your employer, you will need to request the transfer of your contributions and earnings to a Roth IRA and your employer's matching contributions and earnings to a traditional IRA.

3. **Think twice before you do an indirect rollover.** With a direct rollover, you instruct your former employer to send your 401(k) assets directly to your new employer's plan or to an IRA—and you never have to handle the money yourself. With an indirect rollover, you start by requesting a lump-sum distribution from your plan administrator and then take responsibility for completing the transfer. Indirect rollovers have significant tax consequences. You will not get the full amount because the plan is required to withhold 20 percent to ensure that taxes will be paid if the rollover is not completed. You must deposit the funds in an IRA within 60 days to avoid taxes on pretax contributions and earnings—and to avoid the potential of an additional 10 percent tax penalty if you are younger than 59½. If you want to defer taxes on the full amount you cashed out, you will have to add funds from another source equal to the 20 percent withheld by the plan administrator (you get the 20 percent back if you properly complete the rollover).

4. **Be wary of "Free" or "No Fee" claims.** Competition among financial firms for IRA business is strong, and advertising about rollovers and IRA-related services is common. In some cases, the advertising can be misleading. FINRA has observed (PDF 47 KB) overly broad language in advertisements and other sales material that implies there are no fees charged to investors who have accounts with the firms. Even if there are no costs associated with a rollover itself, there will almost certainly be costs related to account administration, investment management or both. Don't roll over your retirement funds solely based on the word "free."
5. **Realize that conflicts of interest exist.** Financial professionals who recommend an IRA rollover might earn commissions or other fees as a result. In contrast, leaving assets in your old employer's plan or rolling the assets to a plan sponsored by your new employer likely results in little or no compensation for a financial professional. In short, even if the recommendation is sound, any financial professional who recommends you move money from an employer-sponsored retirement plan into an IRA could benefit financially from that move.
6. **Compare investment options and other services.** An IRA often enables you to select from a broader range of investment options than available in an employer plan, but might not offer the same options your employer plan does. Whether the IRA options are attractive will depend, in part, on how satisfied you are with the options offered by your current or new employer's plan. Some employer plans also provide access to investment advice, planning tools, telephone help lines, educational materials and workshops. Similarly, IRA providers offer different levels of service, which may include full brokerage service, investment advice and distribution planning. If you are considering a self-directed IRA, consider the tradeoffs.
7. **Understand fees and expenses.** Both employer-sponsored plans and IRAs involve investment-related expenses and plan or account fees. Investment-related expenses can include sales loads, commissions, the expenses of any mutual funds in which assets are invested and investment advisory fees. Plan fees can include administrative costs (recordkeeping and compliance fees, for instance) and fees for services, such as access to a customer service representative. In some cases, employers pay for some or all of the plan's administrative expenses. IRA account fees can include administrative, account set-up and custodial fees, among others. Before making a rollover decision, know how much you are currently paying for your plan. Compare that to the fees and expenses of a new plan or IRA. For more information about 401(k) fees, see the Department of Labor's publication, A Look at 401(k) Plan Fees. For IRA fees, ask your financial professional to provide you with information about fees and expenses, and read your account agreement and any investment prospectuses.
8. **Engage in a thoughtful discussion with your financial or tax professional.** Don't be shy about raising issues such as tax implications, differences in services, and fees and expenses between retirement savings alternatives. If your financial professional recommends that you sell securities in your plan or purchase securities in a newly opened IRA, ask what makes the recommendation suitable for you. As with any investment, if you don't understand it, don't buy it.
9. **Age matters.** If you leave your job between age 55 and 59½, you may be able to take penalty-free withdrawals from an employer-sponsored plan. In contrast, penalty-free withdrawals generally are not allowed from an IRA until age 59½. Once you reach age 70½, the rules for both traditional employer plans and traditional IRAs require the periodic withdrawal of certain minimum amounts, known as the required minimum distribution (RMD). The RMD rules also apply to Roth 401(k) accounts. However, the RMD rules do not apply to Roth IRAs while the owner is alive. If you are still working at age 70½, however, you generally are not required to make required minimum distributions from your current employer's plan. This may be advantageous for those who plan to work into their 70s.
10. **Assess the tax implications of appreciated company stock.** Some retirement plans feature company securities (such as stocks, bonds or debentures)—and, as with earnings on other investments, any increase in their value will typically be subject to ordinary income tax when you withdraw the securities from the plan. But if you're considering a distribution of company stock or securities when you leave the company, be aware that special IRS rules might allow you to defer paying taxes on the appreciation (which the IRS calls "net unrealized appreciation"). Consult your plan administrator and financial and tax professionals about tax scenarios related to appreciated company securities.

The decision to move your retirement nest egg or stay put is an important one. In many cases, you don't have to act immediately upon switching jobs or retiring. Take the time to assess your options. Ask questions and do your homework to determine what is best for you.

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